

Public Utilities, Energy and Technology Interim Committee Meeting

June 16, 2021

Information provided by: Austin Summers,
Manager, Regulation

Presented by: Brad Simons, Gas Development
Services Consultant



H.B. 422 – Natural Gas Infrastructure Amendments

- ❑ Arose out of the 2018 legislative session
- ❑ Allows for Dominion Energy Utah (DEU) to seek Public Service Commission (PSC) approval to extend natural gas service to previously unserved rural communities.
- ❑ Associated costs would be spread amongst the utilities rate base, within limits.
- ❑ Available investment by DEU not to exceed 2% (\$69.5M) over any three-year period, or 5% (\$173.8M) in aggregate, based on current allowed revenue.

Rural Utah Expansion Allowed Spend Example

| Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--------|------------------------|------------------------|------------------------|--------|
| \$30 | \$10 | \$29.5 | \$30 | \$10 |
| | 69.5 M spent years 1-3 | | | |
| | | 69.5 M spent years 2-4 | | |
| | | | 69.5 M spent years 3-5 | |

Total spent years 1-5 = \$109.5 million
Total allowed at current revenue requirement: \$173.8 million
Remaining that may be spent in future years \$64.3 million

Projects (to date)

Eureka – DEU received PSC approval in August 2020 to extend service to the community. Approximately 360 potential customers.

- Construction is underway. Target date of 4th quarter 2021 to have natural gas service available.

Goshen / Elberta – Filed with the PSC in April 2021 to extend service to these communities. A current open docket. If approved, DEU would look to have natural gas service available in the 4th quarter, 2022. Approximately 379 potential customers.

Green River – DEU has filed a notice of intent with the PSC to file an application to serve this community.

Customer Interest

- Web page on Dominionenergy.com
 - <https://www.dominionenergy.com/projects-and-facilities/natural-gas-projects/utah-rural-expansion/goshen>
- Two virtual open houses
 - <https://vimeo.com/515280918/e04428c8da>
- Facebook posts
- Surveys
- Canvassing



Resources for Low-Income Customers

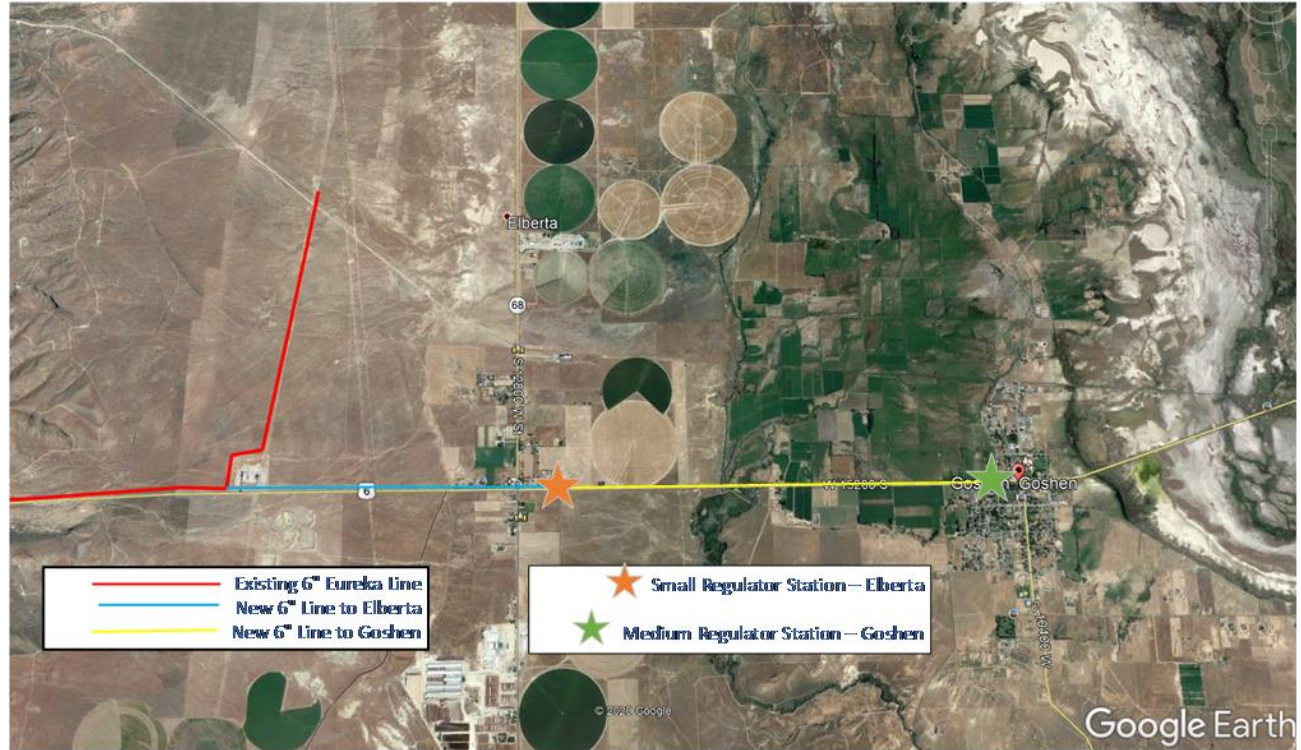


- Home Rehab Program
 - Low-interest loans to switch to a natural gas furnace or other home repair
 - Interest rate between 0-3%
- Weatherization Program
 - Furnace help possible
 - Based on an energy audit, other work could be performed
 - Available for households at or below 200% of the poverty level

Example of information assembled for a filing

- 379 Potential customers
 - Counted in person and verified with satellite imagery
- 4.5 miles of high-pressure pipe
- 2 regulator stations
- Elberta - 12,450 feet of IHP main and 3,785 feet of service line
- Goshen – 42,750 feet of IHP main and 19,605 feet of service line

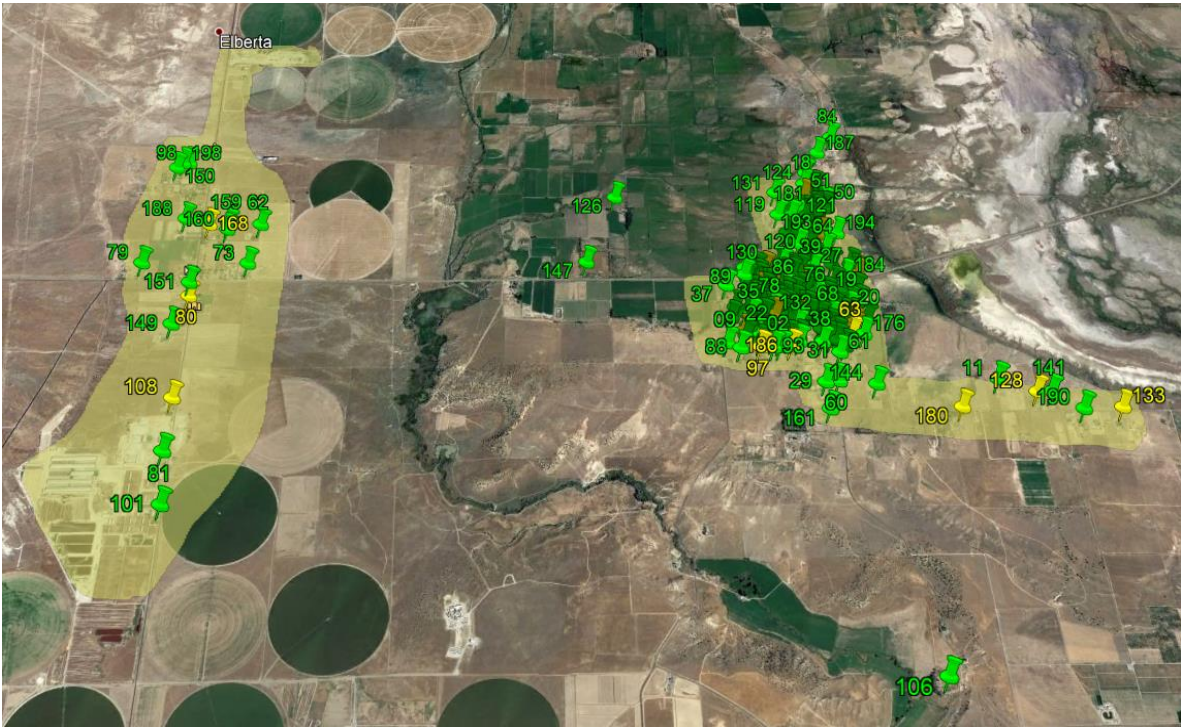
Geography



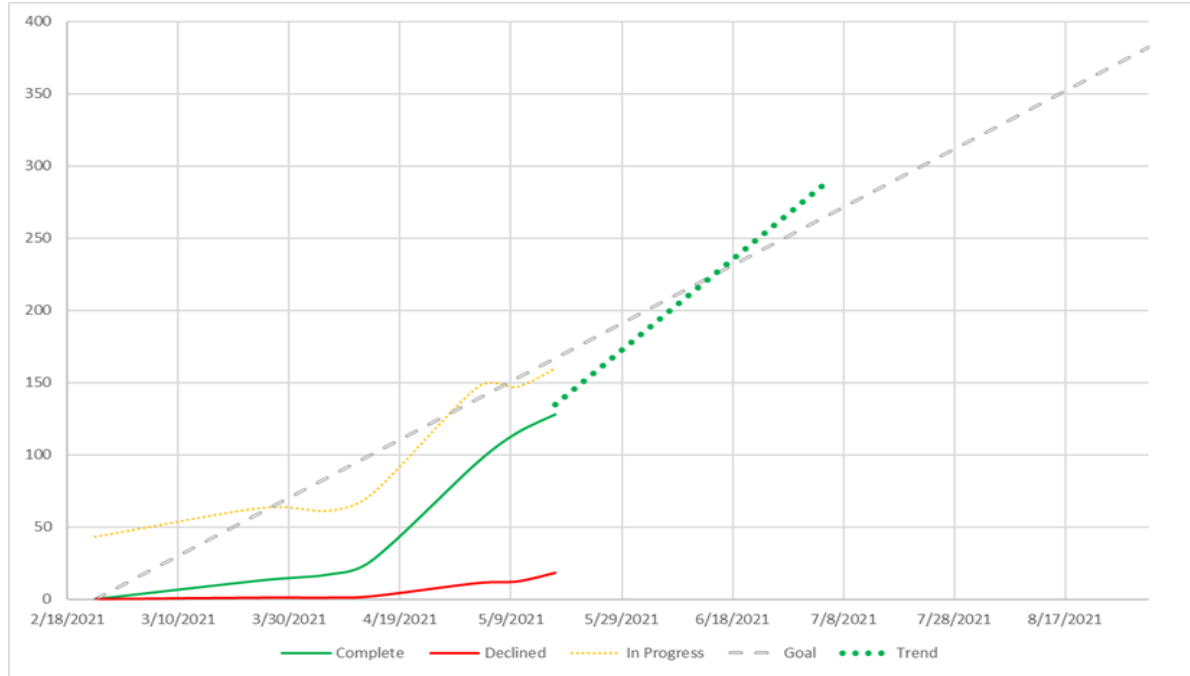
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Survey Responses



Current results once we have approval to extend service – Sign-ups / Engagement in Eureka (~75%)



Questions